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STATE FOR EAP/CM
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USDA FOR FAS/OSTA/MHENNEY/AROBERTS/ARUDE
USDA FOR FAS/OCRA/ABRANSON
BEIJING FOR FAS AND ECON
TOKYO FOR FAS
SEOUL FOR FAS
AIT FOR FAS/HALLMAN, ECON/OCONNOR

E.O. 12958: N/A

TAGS: <u>EAGR ECON ETRD TBIO</u> <u>KPAO HK</u>
SUBJECT: FUNDING REQUEST FOR FY2009 BIOTECHNOLOGY OUTREACH AND CAPACITY BUILDING FOR HONG KONG & MACAU

Ref: STATE 129940

- ¶1. This is an action request. See paragraphs 2 and 11.
- 12. Summary and Action Request:

Hong Kong is the 7th largest and 2nd fastest growing market for U.S. value added foods and beverages, importing over U.S.\$1.3 billion of these products in 2008. However, Hong Kong Government (HKG) officials are under pressure from influential legislators and consumer advocacy groups to adopt a mandatory biotech labeling (GM) policy that could impact roughly 90% of these sales. While regulators have thus far resisted these pressures, they have repeatedly said they may be forced to change their position. Hong Kong's retailers have said they would not import any products that carried a GM label.

Post's education outreach on agricultural biotechnology played a key role in reversing Hong Kong (HK) regulators' intention to announce a mandatory scheme in 2008. Continuing an effective biotech outreach program, which was greatly assisted by last year's grant, is essential to countering persistent pro-labeling sentiment. For FY2009 post requests a total of \$92,000 to carry out a number of outreach and capacity building activities targeting educators, policy makers, consumer groups, and the press. The proposed activities include speakers, workshops, field trips, and generating bilingual educational materials. One of the primary benefits of these activities will be to develop a local cadre of objective and credible biotech advocates from various disciplines who can speak publicly on this issue.

As a regional leader on food safety issues, Hong Kong's well reasoned and science-based rejection of a mandatory policy could have influential spillover effects in the region, including Taiwan, mainland China and Southeast Asia. As the issue of biotech labeling is a high-priority for many U.S. missions in the region, post has intentionally designed programs other embassies and consulates could join.

Because many alternative funding sources often used for biotech education and outreach are restricted to lower income markets (e.g. USDA's Emerging Markets Program and Cochran Program), this is one of

the very few funding sources available to Hong Kong. End summary and action request.

BACKGROUND

Biotechnology Trade and Production

- 13. U.S. exports of all agricultural products to Hong Kong totaled approximately \$1.8 billion in 2008. HKG currently makes no distinction between conventional and biotech foods; all are subject to the same food safety regulation. Of the \$1.8 billion of exports, \$1.3 billion were value-added food and beverage products (VAFP). A mandatory biotech labeling law would affect virtually all U.S. VAFPs as most contain some genetically modified ingredients, such as vegetable oil, corn, syrups, starch etc. Hong Kong's retailers have said they would not import any products that required a GM label.
- 14. In 2003, the HKG announced a program for voluntary labeling for pre-packaged food and mandatory pre-market safety assessment requirements for all food products. The HKG released the guidelines for voluntary labeling of biotech foods in 2006 in order to answer the public call concerning consumers' right to make an "informed choice" on these products. These guidelines were formulated by a working group established under the Hong Kong Center for Food Safety. The officials hoped to see wide adoption of voluntary labeling.

HKG Postpones Mandatory Labeling But Threat Remains

¶5. (SBU) Hong Kong was on the brink of adopting mandatory labeling on biotech foods when post applied for program funding in FY2008. Post's education outreach on agricultural biotechnology played a critical role in reversing HKG's intention to announce a mandatory scheme in 2008. A senior government official who directs HK's food risk assessments attended the state-funded outreach program and

commented that this lecture on biotechnology was the best he has ever heard. However, the threat remains. Citing the "failure" of voluntary labeling, aggressive consumer groups and some legislators have renewed their calls for the HKG to initiate a mandatory labeling regime for GM foods. For example, Greenpeace has mobilized an email campaign to the HKG requesting a timetable for mandatory labeling.

16. Post believes that educating HKG officials, legislators, educators and media on the science-based principles and consumer benefits of biotechnology is the most effective way to keep biotech labeling voluntary. The extremely positive response to last year's speaker is a case in point. Furthermore, HK's work in this area and its importance as a transshipment point could have influential spillover effects in both Taiwan, the PRC and Southeast Asia. As the issue of biotech labeling is a high priority one for many U.S. missions in the region, post has intentionally designed a program other posts could join.

Success of FY2008 Program

- 17. (SBU) Realizing the need of dispelling the myth of biotechnology in Hong Kong, post used State's program to support its biotech outreach efforts to educate relevant stakeholders with a science-based approach to biotechnology.
- 18. Post invited Dr. Wayne Parrott, Professor of Plant Genetics at the University of Georgia, to give a series of five biotech lectures to different audiences which reached nearly 1,200 people. Dr. Parrott's presentation was geared to a lay audience. To add credibility and gravitas to these lectures, ATO enlisted the Chinese University's Center for Plant and Agricultural Biotechnology as a co-sponsor for the Hong Kong presentations. For the event in Macau, ATO partnered the Faculty of Health Sciences and Macau Institute for Applied Research in Medicine and Health of the Macau University of Science and Technology (MUST) and the International School of Macao.

- 19. To achieve our objective of providing a science-based introduction of GM foods to relevant stakeholders, Dr. Parrott addressed government officials who are in charge of food safety and labeling, those following the Cartagena Protocol, those developing curriculum for secondary schools, and those responsible to attract foreign investments in Hong Kong. Through this outreach activity, Hong Kong's key retailers, traders, importers and food manufactures were also educated on the merits and scientific development of GM foods.
- 110. In an effort to educate the broader population on this issue, Dr. Parrott addressed teachers and students from secondary schools in Hong Kong and Macao. Educators were provided with a copy of the presentation, to us as a resource for teaching. Subsequently, a DVD of Dr. Parrott's presentation was mailed to all high schools in Hong Kong.

Proposed Capacity Building and Outreach Programs

111. Action Request: Post requests funds totaling \$92,000 in FY2009 to conduct workshops, field and laboratory visits, media education kits, and subtitled DVDs. By targeting secondary school biology teachers and media, these activities will contribute to the development of high school curricula on biotechnology. Educating teachers and media on the many environmental and nutritional attributes of biotech foods should result in favorable fact-based articles on the topic, create a group of credible proponents of this technology, and make it much more difficult for mandatory labeling advocates to prevail. The outreach programs described below will have the effect of promoting the acceptance of modern food technology.

1A. Workshop and Field Trip to the U.S.

Post requests US\$80,000 to fund a 9-day trip to the U.S. for a ten-person delegation comprised of educators and journalists. The fee will cover travel costs, per diem, hiring of a workshop

organizer and all associated recruitment costs. HK Government officials will also be invited to participate but will be self-funded. The program in the U.S. will take participants to biotech fields and labs and educate them on the nutritional and environmental gains of biotechnology. The Institute of International Agriculture at Michigan State University, which specializes in programs on biotech for foreign visitors, will be appointed to organize this workshop, and will facilitate development of a biotechnology curriculum. The journalists and teachers will be required to write a daily blog so as to amplify the effect of the outreach program in the U.S. to Hong Kong readers. (The budget can be adjusted according to the number of participants. The cost per head, in terms of hiring the workshop organizer, could be lowered by including participants from other posts.)

1B. Workshops organized in Hong Kong

Our requested budget is US\$12,000 which will cover all the cost of organizing a series of workshops on biotechnology in Hong Kong and Macao including the travel costs of a U.S. speaker, hiring of venue, printing of materials and making of DVDs. As we have done last year, the DVDs, which will be distributed to all 500 secondary schools in Hong Kong after the event, could be an effective teaching aid on biotechnology. Furthermore, the 2009 DVD will include Chinese subtitles so that they can be used with Chinese audiences throughout the region. Post would enlist local schools and universities to be co-sponsors of this program. The audience of the workshop will include educators, students, government officials, media and traders.

112. Post responsible officer is Anita Katial at anita.katial@usda.gov.